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Central Intelligence Agency



Washington, D.C. 20505

## DIRECTORATE OF INTELLIGENCE

27 August 1985

Libya-Tunisia: What are Qadhafi's Intentions

## Summary

The Libyan expulsion of Tunisian workers--26,000 so far this month--threatens Tunis with its most serious domestic crisis since the January 1984 bread riots. Qadhafi probably is using the expulsion in part to cover the infiltration of Libyan trained Tunisian dissidents. We believe he will use the dissidents to help destabilize Tunisia and influence the Presidential succession when Bourguiba dies. The return of large numbers of workers will ripen the climate for destabilization by adding to an already record pool of urban unemployed. Even while Bourguiba is alive, Qadhafi probably will try to intimidate Tunis into a more pro-Libyan posture, perhaps using terrorist attacks or a small-scale military demonstration near the border. Tunisian fears of a Libyan invasion, however, are unwarranted for the present. [redacted]

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We believe that Tunisia has exaggerated the threat of an imminent Libyan invasion, but its fears of Libyan-sponsored destabilization are well founded. A key unknown involves the extent to which Libya's accelerated two-year effort to build a subversive network has succeeded in developing assets in the Tunisian armed forces. [redacted]

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This memorandum was prepared by [redacted] Arab-Israeli Division, Officer of Near Eastern and South Asian Analysis. Information as of 27 August 1985 was used in preparation of this paper. Questions and comments should be directed to Chief, Arab Israeli Division [redacted]

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### Roots of the Expulsions

We believe the sudden expulsion of thousands of foreign workers from Libya--including Tunisians, Egyptians, Algerians, Nigeriens, Mauritians, and others--has been driven primarily by Qadhafi's security and economic concerns. The expulsions are intended to reduce the internal security threat in Libya by drawing down the numbers of workers from countries Qadhafi distrusts. Additionally, Qadhafi has maintained for years that Libya cannot afford the luxury of foreigners performing menial jobs, which could be done by Libyans. For the moment, Tripoli is exempting highly skilled personnel, including doctors and technicians in petroleum and other critical industries and priority development projects. At the same time, the government probably will confiscate the personal property left behind by the deportees for cheap sale to Libyans to ease unprecedented popular discontent over deteriorating living conditions. [REDACTED]

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### Qadhafi's Aims in Tunisia

In the case of Tunisia, the expulsion order probably is also motivated by Qadhafi's interest in seeing a pro-Libyan regime in Tunis as the successor to the Western oriented government of President Bourguiba. [REDACTED]

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We believe that, upon Bourguiba's death, Libya will use these dissidents to try to gain influence over a new regime. The dissidents would try to spread pro-Libyan propaganda, infiltrate various interest groups, and orchestrate widespread violence--including terrorism--in an effort to overwhelm Tunisia's security services and spark a general insurrection. Even if Tunisia's national guard and army were able to restore order, Qadhafi would have sent the signal that Bourguiba's successor must accept Libyan influence or face further destabilization. [REDACTED]

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[REDACTED]

At the same time, Qadhafi probably hopes that Tunisia's economic malaise makes the country ripe for his meddling. If all 70,000 Tunisians are expelled from Libya, Tunisia's unemployment would increase from the current 20 percent to 30 percent. At the same time, Tunisia would lose as much as \$70 million in remittances those workers would have sent home annually, and \$60 million in annual trade with Libya. The loss of income and rise in unemployment would derail Tunis' plans to reduce the budget deficit and cut burdensome subsidies--critical items in government efforts to obtain foreign assistance and maintain peace with politically powerful labor unions. [REDACTED]

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These developments could spark a popular uprising even more violent than the bread riots of 1984, particularly if Tunis holds the line on a wage freeze while reducing food and other politically sensitive subsidies. A test could come as early as next week with a scheduled nationwide transport strike. Unlike 1984, however, Qadhafi could be in a better position to take advantage of the situation. [REDACTED]

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#### Timing

The timing of Libya's main thrust probably is keyed to Bourguiba's death unless Qadhafi perceived a massive breakdown in public order in the interim or concluded that Bourguiba was too fragile to take charge of quieting large-scale disturbances. [REDACTED]

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[REDACTED]

Given Bourguiba's current poor health, Qadhafi may be accelerating his timetable to set up his apparatus for destabilization. Even so, we believe that Qadhafi might be ready to implement a destabilization plan on his own in several months. [REDACTED]

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While Bourguiba is still alive, Qadhafi has ways to intimidate Tunis into a more pro-Libyan posture. Sponsoring terrorist or paramilitary attacks anywhere in Tunisia would prompt some leaders in Tunis to argue that Qadhafi must be placated. Even a small military demonstration near the border--moving up a tank battalion, firing at a border post, or flying Libyan fighters into Tunisian airspace--would have a similar effect. Such measures would also serve to warn leading Tunisians already jockeying for position that they cannot ignore Tripoli in the presidential succession. Libyan moves at this level could occur at any time with no warning [REDACTED]

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Other Scenarios

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We consider a large-scale Libyan military invasion unlikely. Qadhafi probably believes that such action would result in military intervention by the United States, France, or Algeria on Tunisia's behalf. Additionally, Libya would be hard-pressed to push into Tunisia and still maintain its hold on northern Chad and its defenses against Egypt. [REDACTED]

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Nonetheless, Qadhafi may envision a role for some of his military forces to further destabilization. If Tunisian dissidents gained control of some Tunisian territory, Libyan transports could resupply them or bring in more dissidents from Libyan camps in a matter of days. If, however, Qadhafi received clear signals from Algeria or others that this would not be tolerated--or if he thought a pro-Libyan government would be likely without overt military involvement--Qadhafi probably would not take even such limited military action. [REDACTED]

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SUBJECT: Libya-Tunisia: What are Qadhafi's Intentions

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